

Pennsylvania Bulletin: 330-7-2

December 20, 2006

Subject: MGT - Fiscal Year (FY) 2007 Balanced Budget Action Plan

**Purpose.** To provide information to NRCS employees on management controls being put in place to operate within a balanced budget for FY 2007.

**Expiration Date.** September 30, 2007

**Background.** NRCS in Pennsylvania (PA) will be operating in FY 2007 with an "advisory" budget allocation that is decreased from FY 2006 levels. The decrease is due to reductions in our primary Conservation Operations (CO) fund and in reimbursement for technical assistance work on conservation programs. The budget allocation is called "advisory" because Congress adjourned for the current session without completing the USDA funding bill and the allocation process is not yet completely finalized. Congress did approve a Continuing Resolution Bill (CR) that will keep NRCS and other federal agencies funded until mid-February. However, it is necessary for NRCS to take specific actions at this time to reduce expenditures and potentially increase other reimbursable funding sources to operate within the available budget for FY 2007. All existing reimbursable agreements will be fully utilized.

#### **Balanced Budget Actions for FY 2007**

In order to ensure that NRCS in PA will remain within our available budget resources and continue to meet our performance goals, some specific adjustments to normal operating procedures will be put in place, effective immediately. For example:

- Hiring and advertised vacancies will be confined to only those deemed critical by the Leadership Team.
- Limits will be placed on staffing through temporary employees and other term appointments.
- Additional controls will be placed on approvals for cash awards and other forms of recognition.
- No overtime expenses will be approved and schedules will be adjusted to complete priority work during regular hours.
- All travel and training will be reevaluated. No one is authorized to go on travel until they have been approved or re-approved by a member of the Leadership Team, effective immediately. This includes travel that was previously approved.
- Agreements on some leased vehicles will be terminated to reduce costs and vehicles will be redistributed to meet our customer service needs.
- Greater controls will be placed upon acquisition of supplies and miscellaneous equipment.
- Purchase credit cards held by Supervisory District Conservationists and other area staff will be cancelled. All purchases will be made by or arranged by administrative staffs.
- Fixed costs for rent and space will be reevaluated for potential savings.
- A hold has been placed on obligating any agreements and opportunities for increased reimbursable funding will be pursued.

To be prudent and try to protect our most valuable resource – our employees, the Leadership Team has decided to implement these actions until we get further clarification on specific spending levels for FY 2007. These controls are effective immediately. We encourage suggestions on ways to reduce costs and improve the efficiency of work activities throughout the state.

**DIST:** AE

The Natural Resources Conservation Service provides leadership in a partnership effort to help conserve, maintain, and improve our natural resources and environment

AN EQUAL OPPORTUNITY EMPLOYER

We fully realize that training is essential to keeping our workforce abreast of current technologies and new employees need training to learn new skills. We will evaluate each training event on a case-by-case basis and do our best to make sure that employees receive the critical training they need to do their job. Employee Individual Development Plans (IDP's) should still reflect training needs but we may defer some of the training until the budget can support the cost.

Additional information about the budget and operations management will be provided as soon as it is available.

**Contact.** If you have any questions, please contact your Assistant State Conservationist for Field Operations or a principal staff member in the state office.

A handwritten signature in cursive script, reading "Craig R. Derickson". The signature is written in black ink and is positioned above the printed name and title.

CRAIG R. DERICKSON  
State Conservationist